

House Bill 83

By: Representatives Lunsford of the 110th, Harbin of the 118th, Lord of the 142nd, Burmeister of the 119th, Keen of the 179th, and others

A BILL TO BE ENTITLED
AN ACT

To amend Title 33 of the Official Code of Georgia Annotated, relating to insurance, so as to enact the "Small Business Employee Choice of Benefits Health Insurance Plan Act"; to provide a short title; to provide for legislative intent; to provide definitions; to provide that insurers must offer certain employees and consumers a choice between Small Business Employee Choice of Benefits Health Insurance Plan hospitalization policies or contracts not subject to state mandated health benefits and other policies or contracts subject to state mandated health benefits; to provide exceptions; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 33 of the Official Code of Georgia Annotated, relating to insurance, is amended by adding a new Chapter 59 to read as follows:

"CHAPTER 59

33-59-1.

This chapter shall be known and may be cited as the 'Small Business Employee Choice of Benefits Health Insurance Plan Act.'

33-59-2.

The General Assembly recognizes the need for employers and individuals in this state to have the opportunity to choose among group and individual health insurance plans that are more affordable and flexible than standard market policies of accident and sickness insurance and the need to increase the availability of health insurance coverage by authorizing the transaction of this type of plan or policy by accident and sickness insurers licensed to transact business in this state. This chapter shall require insurers which provide

major medical coverage to offer policies that contain all state mandated health benefits as well as policies that do not contain any state mandated health benefits; provided, however, that, on and after July 1, 2005, it is explicitly intended that employees in group plans or individuals may choose pursuant to this chapter among new health insurance plans offered by insurers that may include or exclude state mandated health benefits.

33-59-3.

As used in this chapter, the term:

(1) 'Group' means any employer group of 15 employees or less.

(2) 'Health benefits plan' means the Small Business Employee Choice of Benefits Health Insurance Plan.

(3) 'Insurer' means any insurer or nonprofit organization authorized to sell accident and sickness policies, subscriber contracts, certificates, or agreements of any form under Chapters 15, 18, 19, 20, 21, 29, and 30 of this title.

(4)(A) 'State mandated health benefits' means coverages for health care services or benefits, required by state law or state regulations, requiring the reimbursement or utilization related to specific health illnesses, injuries, or conditions of the covered person or inclusion of a specific category of licensed health care practitioner to be provided to the covered person in an individual, blanket, or group policy or contract for a health related condition of a covered person including, but not limited to, those contained in Code Sections 31-17-4.1, 33-24-24, 33-24-27, 33-24-27.1, 33-24-27.2, 33-24-28.3, 33-24-28.4, 33-24-56, 33-24-56.2, 33-24-56.3, 33-24-58.2, 33-24-59, 33-24-59.1, 33-24-59.2, 33-24-59.6, 33-24-59.8, 33-24-59.9, 33-24-59.10, 33-24-72, 33-29-3.2, 33-29-3.4, 33-29-6, 33-29-20, 33-30-4.2, 33-30-4.3, 33-30-4.5, 33-30-7, 33-30-14, and 33-53-2.

(B) 'State mandated health benefits' does not mean standard provisions or rights required to be present in an individual, blanket, or group policy or contract for accident and sickness insurance pursuant to state law or regulations unrelated to specific health illnesses, injuries, or conditions of the insured, including, but not limited to, those related to continuation of coverage in Code Section 33-24-21.1, Code Section 33-24-21.2, paragraph (4) of Code Section 33-30-4, and paragraph (8) of subsection (b) of Code Section 33-30-6; entitlement to conversion privileges in Code Section 33-24-21.1; termination of coverage in Code Sections 33-24-21 and 33-24-28; or coverage of newly born or adopted children in Code Section 33-24-22.

1 33-59-4.

2 Notwithstanding any other provision of law and on and after July 1, 2005:

3 (1) Any insurer authorized to transact business in this state offering group accident and
4 sickness policies or contracts shall be required to offer, through a licensed agent or
5 agency, individual members of the group a choice between a group health benefit plan
6 that contains all state mandated health benefits and one or more group health benefit
7 plans that provide hospitalization health benefits and do not provide state mandated
8 health benefits; and

9 (2) Any insurer authorized to transact business in this state offering individual accident
10 and sickness policies or contracts shall be required to offer, through a licensed agent or
11 agency, individuals a choice between an individual health benefit plan that contains all
12 state mandated health benefits and one or more individual health benefit plans that
13 provide hospitalization health benefits and do not provide state mandated health benefits.

14 33-59-5.

15 In each sale of accident and sickness policies or contracts in which the proposed group or
16 individual policyholder has chosen a health benefits plan which does not provide state
17 mandated health benefits, the insurer shall:

18 (1) Provide to each proposed individual group member or individual policyholder a
19 written notice at the beginning of the written application for the health benefits plan the
20 following language in boldface type:

21 'You have the option to choose this Small Business Employee Choice of Benefits
22 Health Insurance Plan which does not provide state mandated health benefits normally
23 required in accident and sickness insurance policies in Georgia. This health benefits
24 plan may provide a more affordable health insurance policy for you, although, at the
25 same time, it may provide you with fewer health benefits than those normally included
26 as state mandated health benefits in policies in Georgia. If you choose this option,
27 please consult with your insurance agent to discover which state mandated health
28 benefits are excluded in this policy.';

29 (2) Provide a form to be signed by each proposed individual group member or individual
30 policyholder acknowledging that the health benefits plan being purchased by the
31 individual group member or individual policyholder does not provide the state mandated
32 health benefits listed on the form; and

33 (3) Maintain the signed acknowledgment forms to provide information as may be needed
34 by the Commissioner of Insurance.

1 33-59-6.

2 The Commissioner of Insurance may promulgate rules and regulations as necessary to
3 implement the provisions of this chapter and specify the information to be contained on the
4 forms supplied by insurers of these policies and contracts to individual group members and
5 policyholders."

6 **SECTION 2.**

7 This Act shall become effective upon its approval by the Governor or upon its becoming law
8 without such approval.

9 **SECTION 3.**

10 All laws and parts of laws in conflict with this Act are repealed.